

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

-against-

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Substantively
Consolidated SIPA Liquidation of Bernard L. Madoff
Investment Securities LLC and Bernard L. Madoff,

Plaintiff,

-against-

SRIONE, LLC, an Idaho limited liability company;
DANCING \$ LLC, a Montana limited liability
company; and ERIC WALDMAN,

Defendants.

Adv. Pro. No. 10-5380 (SMB)

DISCOVERY ARBITRATOR'S FIRST DISCOVERY ORDER

The Discovery Arbitrator, having held a hearing on June 21, 2018, finds and directs as follows:

1. Requests for Production ("RFPs") Nos. 3, 6, 8, 13-16, and 18-26 addressed to SriOne ("SriOne RFPs") are withdrawn based upon the Defendants' representation that they have withdrawn Affirmative Defense No. 9.

2. The Complaint in this action names Eric Waldman as a defendant solely in his capacity as a subsequent transferee. The Trustee consents to dismissing without prejudice the claims in the Complaint asserted against Waldman. If a stipulation is required to accomplish this, the Trustee's counsel shall prepare such a stipulation.
3. The Defendants' objections to SriOne RFP Nos. 1 and 2 are overruled.
4. In response to SriOne RFP No. 17, for the period from December 11, 2006, to December 31, 2008, SriOne shall produce any SriOne bank or brokerage records that reflect Initial Transfers, including monthly statements, cancelled checks, and incoming wire transfers. To the extent the Defendants seek further limitations of this RFP, their objections are overruled.
5. SriOne RFP No. 32 is modified to call for the production of "Documents and Communications reflecting the formation of SriOne." SriOne RFP No. 33 is modified to call for the production of the "articles of incorporation, memoranda of association, articles of association, by laws, limited or general partnership agreements, and limited liability company agreements" of SriOne.
6. The Defendants' objections to SriOne RFP Nos. 4, 5, and 7 are overruled, and the Defendants are directed to produce any non-privileged responsive documents.
7. The Defendants' objections to SriOne RFP Nos. 9-12 are overruled, and the Defendants are directed to produce any non-privileged responsive documents, but may withhold any documents responsive to SriOne RFP Nos. 11 and 12 that relate solely to Subsequent Transfers.
8. The Defendants have withdrawn Affirmative Defense No. 3. As a consequence, the Defendants need not answer (and the Trustee has withdrawn) SriOne RFP Nos. 29 and 30.
9. In response to SriOne RFP No. 31, SriOne shall produce from its tax returns the identifying information on the first page, any schedules reflecting its financial position at the beginning and end of the reporting period and profit or loss, and the signature portion of the returns.
10. The Defendants' objections to SriOne RFP No. 37 are sustained.
11. By July 5, 2018, defense counsel shall:
 - a. Submit a letter setting forth the Defendants' position with respect to the Trustee's Requests for Admission relating to the accuracy of Schedule B to the Complaint; and

- b. Furnish the initial disclosures required by Rule 26(a)(1) of the Federal Rules of Civil Procedure.
12. Defendant Dancing \$ admits that on or about August 3, 2007, \$4.5 million was transferred to its BLMIS account (1ZB580) from BLMIS account number 1CM730.
13. In responding to discovery requests and producing documents, the Defendants shall make best efforts to contact Peter Khan and Richard Glantz.
14. The Parties shall apply the foregoing rulings regarding SriOne to the discovery issues relating to defendant Dancing \$ LLC.

SO ORDERED.

Dated: New York, New York
July 27, 2018

A handwritten signature in blue ink, appearing to read "Frank Maas", is positioned above a horizontal line.

FRANK MAAS
Discovery Arbitrator

Copies to Counsel via ECF